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Hazardous Materials Transportation Act/Criminal Enforcement: U.S. Department of Justice News Release References Guilty Plea of Tanker Truck Repair Company Owner

05/27/2021

The United States Department of Justice (“DOJ”) issued a May 20th news release stating that Loren Kim Jacobson (“Jacobson”) pleaded guilty to the following alleged violations:

- Making an illegal repair to a cargo tanker in violation of the Hazardous Materials Transportation Act (“HMTA”)
- Lying to the Occupational Safety and Health Administration (“OSHA”)

Mr. Jacobson is stated to be a resident of Pocatello, Idaho, and owner of a tanker testing and repair company KCCS, Inc. (“KCCS”).

The DOJ news release quotes the plea agreement as stating that a KCCS employee’s welder flame pierced the skin of a tanker which contained residual flammable material. As a result, the tanker is stated to have exploded.

An OSHA investigator is stated to have interviewed Jacobson about the accident as part of an investigation as to whether OSHA safety standards were violated.

Jacobson is alleged to have made a materially false statement to the OSHA investigator. He is stated to have characterized his employee as an “observer” – as opposed to an employee. OSHA requirements only apply to employers.

DOJ states that Jacobson lied about the status to evade penalties for violation of certain OSHA standards.

Jacobson is also stated to have admitted that he did not possess the necessary certification to conduct cargo tank repairs.

DOJ states that under the HMTA:

... all repairs to the skin of a cargo tanker require that the repairperson hold an “R-stamp,” which can be obtained only after meeting extensive training requirements.

Jacobson is stated to have admitted that he had a regular practice of making repairs requiring an R-stamp (despite knowing he did not have one).

A copy of the news release can be downloaded [here](#).

